

Some good steps towards mining's recovery

GUEST Comment

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Covid-19 is creating deeply troubling times for all of us, particularly so for those in the private sector who rely on an open and strong economy for their survival.

Governments have been forced to virtually shut down their economies – to put them into a forced coma if you will – to gain control of the Covid-19 pandemic. This has been necessary, but it also comes at a huge cost, and Canada is now in an alarming downhill slide into economic recession and record high government debt.

It will take significant efforts to come out of this deep trough, to jump start the economy, and to get everyone back to work.

While daunting, it is not impossible.

Strong efforts by governments around the world after the 2007-08 global financial crisis saw most economies recover

back to pre-crisis levels in about two years. The Covid-19 crisis is even larger and more disruptive due to its heavy impact on, or suspension of, all non-public sectors of the economy. This time, we can expect that even more concerted efforts will be needed for a strong recovery.

Jump starting the economy will require a robust recovery plan, and one that involves all levels of government – Federal, territorial, municipal and Indigenous – and the business community.

While we criticized the GNWT's first discussion of a recovery plan as being weak, we would like to acknowledge some promising actions taken by the GNWT since then that specifically help the minerals industry.

First is what we call tone, what governments say to investors. The 19th Assembly's mandate had already set a supportive tone pre-Covid with direction to: "Increase exploration and exploitation of mineral resources". Now during Covid-19, the Premier continues to be consistent in enunciating GNWT support. Last week our "minister for mines" Katrina Nokleby reinforced the GNWT's support for exploration and mining to members of the NWT Chamber of Commerce when she emphasized that:

Our economy will continue to be reliant on our resource sector and on our diamond mines. We are working to ensure that

our mines can operate through this crisis because we will need them to anchor our recovery. Mining and exploration is the biggest source of private sector jobs and income for our residents and a major buyer of products and services from our businesses.

Tone of course isn't enough without actions, but we are now seeing some support emerging. Just this week, we welcomed the announcement that relief would be provided for mining surface lease holders and that the deadline for the mining exploration incentive program would be extended and the program enhanced to help kick-start exploration. We are now waiting on relief for mineral claim and lease holders.

Small steps, but a welcome start.

We have a long way to go to create a robust recovery plan that will, in the words of our Prime Minister, lay the groundwork for the economy to "come roaring back" once the pandemic's danger subsides.

In the coming weeks and months, we will work closely with the GNWT – and all levels of governments – to take bold actions to turn the NWT's economy around using the strength of our minerals industry.

There's no time to waste.

Our minerals industry stands ready, willing, and able to help the NWT emerge stronger.